

## TIP SHEET FOR RELATIVES AS PARENTS

### NEW BUDGET CUTS COULD EFFECT MAINE'S GRANDFAMILIES

This past December, Governor John Baldacci proposed major changes to Maine's budget for fiscal years 2010-2011. The Governor's new budget includes vast cuts, greatly reducing funding for things like, education, Child Development Services (CDS), and the Department of Health and Human Services (DHHS), including MaineCare.

These cuts have the potential to impact many Grandfamilies. For this reason, we have put together the following information sheet. We hope that it will help answer some of the questions you may about this very important issue.

**Why is the Governor proposing budget cuts?** Maine's economy is still feeling the effects of the national recession. Many Mainers remain unemployed, and others continue to see declines in their wages and salaries. As a result, State revenues, which depend heavily on income taxes, are down. For 2010 -2011, Maine's revenues are expected to be almost \$438 million under budget.

There are essentially two ways to address this kind of problem. One is to increase State revenues by raising taxes. The other is to make cuts to the budget. Governor Baldacci does not support tax increases. Instead, he wants to close the \$438 million gap with budget cuts.

**How could these cuts effect Grandfamilies?** The group *Maine Can Do Better* has created a list of some of the most significant cuts within the Governor's new budget. Here are a few that could likely effect Grandfamilies:

*"-\$115 million cut (including lost federal matching \$) to rates paid to certain MaineCare providers. This would apply to services like physical therapy, occupational therapy, case management, in-home supports for families, home/community/employment supports for people with developmental delays ... mental health services, [and] substance abuse counseling..."*

*"-\$700,000 cut to a variety of community supports which could include domestic violence and sexual assault services..."*

*"-\$4.5 million cut (including lost federal matching \$) to mental health outpatient therapy for both children and adults..."*

*"-\$73 million cut to k-12 General Purpose Aid to Education."*

**Can Maine avoid making these cuts?** Yes and no. To prevent some of these cuts from happening, Maine can choose to raise revenue by increasing taxes. The legislature would also need decide who will pay the taxes. Some people have suggested increasing the taxes on specific products like hotel rooms or alcohol. Others suggest broad based tax reform to make sure that those who can pay more and those with less, pay less in taxes. If there was more revenue from taxes, Maine's budget gap would be smaller and fewer cuts would have to be made.

**What can I do?** You can help your legislator make an informed decision by telling him or her what you know. You know that it takes a community to raise a child. You know what it is like to be a grandfamily and which services are making a difference for your family. You know what it is like to manage on a budget and that you need to choose priorities. Help your legislator choose the right priorities for your family.

You can contact your legislator by phone, by email or by writing a letter. To find which legislators represent your district, and to find their contact information, visit [www.maine.gov/legis/house/townlist.htm](http://www.maine.gov/legis/house/townlist.htm). Don't have the internet? Call your town offices. They can tell you who your legislators are and how to contact them.

Maine's legislators are currently in session, and will be until February 25<sup>th</sup>. This means that it is important to contact your legislators right away!

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